THE VICE-CHAIRMAN (SHRI JAGESH DESAI): The question is:

"That the Bill to amend the Cine-Workers and Cinema Theatre Workers (Regulation of Employment) Act, 1981, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): We shall now take up clause-by-clause consideration of the Bill.

Clause 2 was added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI AJIT PANJA: Sir, I move:

"That the Bill be passed."

The question was put and the motion was adopted.

THE NATIONAL HOUSING BANK BILL, 1987

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): Sir, I beg to move:

"That the Bill to establish a bank to be known as the National Housing Bank to operate as a principal agency to promote housing finance institutions both at local and regional levels and to provide financial and other support to such institutions and for matters connected therewith or incidental thereto, as passed by the Lok Sabha, be taken into consideration."

Provision of shelter, which is a basic need, influences the quality of human life in all respects. We have a huge backlog of housing shortage in the country. This had been placed at 24.7 million units at the beginning of the VII Plan in 1985 i.e. 18.8 million units in its rural and 5.9 million units in its urban areas. With the growth in population, the holsing shortage at the end of the VII Plan in 1990 is expected to increase to 40.9 million units—31.2 million units in rural and 9.7 million units in the urban areas. The long term perspective of the VII Plan is to provide shelter to all by the year 2000. To meet this mighty challenge, a multipronged strategy involving all sectors of the economy and more importantly, a radical re-orientation of all policies relating to housing is called for.

At present, there is no well defined institutional frame work to mobilise savings for the purpose of investment in housing. A High Level Group which had been set up by the Government to look into this problem has recommended creation of a well defined housing finance structure through establishment of appropriate institutions at regional and local levels to mobilise resources for housing, with a National Housing Bank at thte apex level. The Bill provides the legislative frame work for setting up a National Housing Bank as a statutory Corporation, with its initial capital of Rs. 100 crores to be fully subscribed by the Reserve Bank of India. The National Housing Bank's primary responsibility and foremost task will be to promote housing finance institutions at various levels. Its other important functions will include formulation of policies relating to mobilisation of resources for financial housing and extension of financial support to housing finance institutions. It will formualte schemes for extension of credit to weaker sections of society, specially designed for them. The Bank will also provide guidelines to housing finance institutions and co-ordinate the activities of the agencies connected with housing.

I will, Sir, now highlight some of the more important provisons of the Bill.

As mentioned earlier, the authorised capital of the National Housing Bank will be Rs. 100 crores, to start with. This capital may be increased to Rs. 500 crores, to be wholly contributed by the Reserve Bank of India. In addition to capital, which will

form the base and corpus of the National Housing Bank it can raise resources in different ways such as issue of bonds and debentures, acceptance of deposits, borrowing moneys from the Reserve Bank on short and medium term basis as also by way of long-term loans out of National Housing Credit (Long-term Operations) Fund to be specifically established by the Reserve Bank for the purpose and borrowings from the Central Government. It can also borrow funds from abroad.

SHRI NIRMAL CHATTERJEE (West Bengal): These deposits are from individuals also?

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Bonds they say. It can be from anybody.

SHRI JANARDHAN POOJARI: Sir, the Board of the National Housing Bank will have representation from amongst experts in the field of housing, architecture, engineering, sociology, finance, law, management and corporate planning. It will also have persons with experience in the working of the institutions involved in providing funds for houssing including the co-operative housing finance sector. There will also be representatives of Central and State Governments as also the Reserve Bank on the National Housing Bank.

The National Housing Bank will have certain regulatory powers over the housing finance institutions. The Bill empowers the Natial Housing Bank to inspect the housing finance institutions to which it may extend financial assistance. It will also have power to collect credit information from housing finance institutions as also from the Central and State Governmnets, local authorities, Reserve Bank of India, etc. and to publish the credit or other information obtained by it in any form it thinks fit. The National Housing Bank will regulate acceptance of deposits by the housing finance institutions in the corporate sector. It will have powers to inspect any housing finance institution accepting deposits.

The Bank may also provide advisory services to the Central and State Governments, local authorities and other agencies connected with housing, in regard to formulation of policies aimed at promoting the growth of housing and housing finance institutions as also matters having a bearing on shelter, housing and human settlement.

The setting up of the National Housing Bank is expected to fill an important void and accelerate the pace of housing activity by augmenting and flow of resources for the construction of new houses as well as upgradation of the existing housing stock. The National Housing Bank is thus designed to play a pivotal and a catalytic role in the housing scenario of the industry.

With these remarks, Sir, I commend the Bill to the House for its consideration.

The question was proposed.

SHRI MOSTAFA BIN QUASEM (West Bengal): Mr. Vice-Chairman, Sir, I understand that the present piece of legislation seeks to establish a bank at the national level to be known as the National Housing Bank to operate as an apex agency to promote housing finance institutions both at the local as well as at the regional levels and to provide financial and other support to such an institution.

Sir, the hon. Minister just now pointed out that the proposed National Housing Bank is going to have a wide range of activities in the field of housing finance and the major responsibility of the proposed bank is going to be, I may be permitted to point out, to promote regional and local housing finance institutions with the object of mobilising resources for financing housing construction,

(2) to provide capital and also professional expertise and support in the initial years to new institutions to be set up at the local level, (3) to co-ordinate the activities of the housing finance institutions and other agencies connected with houring, (4) to undertake studies, research and survey relating to shelter, housing, construction, etc.

[Shri Mostafa Bin Quasem]

Now, the business assigned to the proposed bank if it can sincerely discharge the duties and responsibilities, the result will be fruitful. I have no doubt about that. But, Sir I would like to draw attention to clause 4 of theBill. As per clause 4 of the Bill, the proposed bank is going to have authorised and paid up capital of Rs. 100 crores and this is to be fully subscribed by the Reserve Bank of India Of course, there is a proviso to this clause, which stipulates that the Central Government in consultation with the Reserve Bank of India may increase the said capital up to Rs 500 crores. But, Sir, what I would like to point out is that considering the paramount housing problem of our country and existing inadequacies in housing finance, I would suggest that it would have been better if the proposed bank had started with a higher authorised and paid up capital. The Government should think over the matter. Now, I draw your attention to clause 6 of the Bill. Clause 6 relates to the management of the proposed bank and the bank is going to be managed by a board of directors Sir, I am a bit constrained to say that in the composition of the board an element of avoidable centralisation is there. Now, I would like to remind the hon. Minister, through you, that housing is primarily a State subject and if the States have to have any fruitful participation in such matters, there should have been more representatives from the States on the board of directors. There is provision for two directors from amongst various State Governments. My suggestion is that there should be more representatives from State Governments and this becomes necessary also because of the fact that it is provided in clause 27 of the Bill that the National Housing Bank will give advisory services not only to the Central Government but also to the State Governments, local authorities and other agencies connected with housing in regard to formulation of policies aimed at promoting the growth of housing and housing finance institutions and also matters having a bearing on shelter, housing and human settlement, so that this national body, this apex body, National Housing Bank, can discharge its responsibility or function of giving advisory service to State Governments or local agencies, there is necessity for gradual decentralisation of the bank. And one way of decentralising the bank can be by establishing branches of the bank in different States of the country. The National Housing Bank should open branches gradually in different States of the country. In these branches, there should be more representatives.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): How will it help?

SHRI MOSTAFA BIN QUASEM: It will reach the doorsteps of the people. There will be direct communication. (*Interruptions*)

SHRI NIRMAL CHATTERJEE: We have the example of the State Bank of India It has regional headquarters. The regional headquarters are given a good deal of autonomy also. Similarly, since this is a work on the ground, there should be greater decentralisation There is the question of mobilisation of deposits also. That is why I asked whether individual deposits are going to be collected. What one can do from Bombay, the States can do much more than that.

SHRI MOSTAFA BIN QUASEM: I am for decentralisation and opening of branches in different States of the country.

I would like to remind the hon Minister that in the case of NABARD, we have branches even at the district level.

SHRI NIRMAL CHATTERJEE: The RBI has a branch in every State capital

SHRI MOSTAFA BIN QUASEM: My further discussion on the present Bill will be mainly in the background of the highly critical housing problem prevailing throughout the country today. There can be no two opinions regarding the assertion that like food and clothing, housing constitutes a basic need of human life. It is a basic economic need In spite of this recognition, there has been very low priority to housing in terms of public policy and resource allocation.

Now, what is the scenario in the housing sector? According to a very conservative estimate of the National Building Organisation, there is a shortfall of 25 million housing units in the country today. The hon. Minister has referred to the Seventh Plan document. I would also like to reiterate that the shortage of housing units in the country at the beginning of the Seventh Plan period was, as you know, 24.7 million; 18.8 million in the rural areas and 5.9 million in the urban areas. The Plan document also says that apart from the existing backlog in housing, the increase in population—the hon. Minister has also referred to it—between 1985 and 1990 would generate roughly an additional requirement of housing units to the extent of 16.2 million; 12.4 million in the rural areas and 3.8 million in the urban areas. This means that even if the aim is only to prevent an increase in the magnitude of the backlog in housing, it would be necessary to build during the Seventh Plan period around 16.2 million units. This is the magnitude of the problem. This fact makes it evident that the problem is gigantic. What needs to be done to strike at the problem has also been mentioned in the Seventh Plan document Provision of finance on a large scale, development of suitable land-sites in the urban areas, provision of house-sites in the rural areas and developing and applying low-cost technology in house construction.

Sir, what is needed at present in the country in the context of the housing problem is a well thought out comprehensive national housing policy. That has not come yet. Government published two drafts of national housing policy One draft was published in January, 1987. The second draft was published in March, 1987. Of these, one was for internal consumption and the other was for international consumption, to act as a publicity item The second draft was presented at the United Nations Tenth Conference on Human Settlements held in Nairobi in April, 1987. These two drafts promised to make housing an industry

Sir, there is a voluntary organisation, National Campaign for Housing Rights. They have pointed out, and rightly so, that making housing an industry will mean that free market forces will come to housing fully supported and legitimised by the States and as a result of this prices of land, building materials and their connected components will further rise and the poor will be forced into more unauthorised settlements. Apart from this, high technology has found favour in the draft housing policy. Appropriateness of highly mechanised technologies is being questioned in different quarters because it is our experience that locally available materials will not only be cheaper but also more suited to Indian climate conditions

Sir, you are aware that many women's organisations in our country have been raising their voice. They have already drawn attention to the pitiable conditions of single women namely, widows, divorcees, unmarried women, women driven out of their houses or destitute women, who are facing serious problem of housing. In spite of this demand by various women's organisations of our country in the last ten or more years, there is no reference to protecting women in terms of providing them housing facilities, there is no mention in the national housing policy. The draft housing policy is highly weighted in favour of the private commercial sector.

Sir, you are aware that the question of providing housing facilities to the millions of people in our country, both in rural areas and in urban areas, is closely related to the question of availability of land for house-sites Some ten years ago perhaps the Government did enact a legislation putting a ceiling on farmer's land holding During these 10 years this Act was in operation. Now, so far as I know, the Government tried to make a review of the operation of the Urban Land Ceiling Act and the result is that because of the exemption clause contained in the Act and because of the lethargy of the bureaucracy in implementing the Act, success has been very very negligible. The question of availability of land in the rural area also is there. There is provision in the Land Reforms Act but I can say that the provisions in this Land Reforms Act have not been genuinely implemented in different

[Shri Mostafa Bin Quasem]

States in the country. There are a few States which have implemented the Land Reforms Act. Just for example, not because that I come from West Bengal but I have direct experience of West Bengal, because of implementation of this legislation the Government has been able to have a huge quantity of homestead land and the Government by this time has distributed this homestead land particularly to the weaker sections in the State, the poor peasants, the sharecroppers, the agricultural labourers, the Scheduled Castes and the Scheduled Tribes and other weaker sections. So, other States should genuinely try to implement this Act so that homestead land could be made available to the State Govrenrment for distribution particulary among the poorer sections of the society.

So, Sir, I think this Bill is practically meant for affluent sections of the people of our country. This Bill which is going to create the apex body has just a passing reference to the problem of housing with the weaker sections of our society, but nothing constructive is provided in the body of the Bill to ameliorate their condition. So, this Bill has a different bias, a bias towards the affluent sections of the society. My suggstion to the Government will be that it should try to formulate a comprehensive, positive national housing policy encompassing the problems faced by different sections of people of our society and try to implement that policy honestly That way you can make some dent into this problem. I do not think, given the present socio-economic system which is characterised by exploitation of one class by another, the housing porblem can be altogether mitigated. What you can do is that by a well thought out, comprehensive housing policy, you can minimise the problem, and you should try to do that. With these words, I conclude.

[The Vice-Chairman (Shri H. Hanumanthappa) in the Chair]

SHRI RAJNI RANJAN SAHU (Bihar): Mr Vice-Chairman, Sir, I congratulate the hon. Minister for Finance for placing this National Housing Bank Bill, 1987, before this House, in line with the thinking of our Prime Minister who, on 28th February, 1987, said in the Budget Speech in para 26 that a new financial structure would be created to provide funds for housing. I support this Bill.

The object of the Bill is laudable. The Bill is going to provide funds for housing which has been a high priority. The proposed National Housing Bank will be an apex body, to be established by the Reserve Bank of India with an equity capital of Rs. 100 crores, which I also think is a lesser amount to begin with. Its main functions will be to promote, establish and support housing finance intermediaries, provide loans and refinance facilities and undertake research and develop expertise. The Bank will also fulfil the object as stated in the 7th Five Year Plan

Sir, housing is a basic necessity which comes after food and clothing. I am glad its idea and conception are gaining momentum. Sir, I congratulate our Prime Minister Rajiv Gandhi who realised for the first time its importance, and is giving a concrete shape to the idea of shelter to the common people. The proposal was thoroughly examined by a committee headed by the Deputy Governor of Reserve Bank of India who also supported this idea. A draft report of the National Housing Policy also supported this idea and in para 8.1, the report—and I quote:

> "A new financial structure will be created to provide funds for housing; at the apex level, a National Housing Bank will be set up".

So our Government is fulfilling this commitment But how far we can fulfil the commitment and the need of the people is yet to be seen. According to an estimate of the National Building Organisation, the housing shortage is enormous The housing shortage in 1981 was around 21 million units—16 million units in rural areas and 5 million uints in urban areas. Based on this data, the 7th Plan has placed the housing shortage at the beginning of the Plan period in 1985 at 24.7 million units—18.8 million units in rural areas and

5.9 million units in urban areas. The increase in population between 1985 and 1990 is expected to generate roughly an additional requirement of housing units to the tune of 16.2 million units, of which 12.4 million units will be in the rural areas and 3.8 million units in urban areas. Sir, this problem, therefore, has got a colossal magnitude and it is an uphill task. To cope with this problem we need a housing finance bank. At present we meet our demands, no doubt, through institutions like LIC, GIC and specialized housing finance institutions like HUDCO but, as per the figure available, in 1982-83 the finance through all such institutions was only 25.6 per cent of the total housing finances. The remaining 74.4 per cent comes through households, private and public sector employers. So, to provide adequate finance and to increase the flow of finances, setting up of the National Housing Bank would be a great impetus.

Sir, this Bank as stated in the Statement of Objects and Reasons, is going to be established with a seed capital of Rs. 100 crores, which can be raised to Rs. 500 crores. My request to the honourable Minister would be that it should be started with Rs. 500 crores and not Rs. 100 crores. The object of the Bank is to promote and develop housing finance institutions. This is going to be an apex institution and the idea is that it should promote at the lower level, regional level, basic level, other financial institutions to mobilize finances from the savings of the household category and other categories. Sir, the object is highly laudable but the seed capital or authorized capital proivded is too less. Hence it should be raised.

Sir, apart from this only by raising of the capital it is not going to solve the housing problem. There are other factors also which have got to be looked into. There are other important constraints, as mentioned by my honourable friend just now, like non-availability of land, high cost of construction and legal impediments. We will have to look into these problems. The Government will have to amend the Transfer of Property Act. It requires radical changes. People would be benefited only if the Government would think to amend the Urban Land Ceiling and Regulation Act, the Rent Control Act and other enactments relating to housing. Otherwise the very purpose of the Bill will be defeated and the whole idea of providing housing to the common man will be jeopardized. Sir, not only this, the Code of Civil Procedure also will have to be amended to make recovery of martgage debts, through forced closure or sale of property, simpler and speedier.

Sir removal of legal hurdles in the creation and enforcement of mortgages will enable commercial banks, housing finance institutions and other lending agencies to step up assistance to the housing sector. This will pave the way for the creation of a second mortgage market in the country which in turn will enable institutions like the LIC and UTI to participate in mortgage lending through purchases of specific loans of approved housing institutions while the organizing institutions will continue to service the loans. Sir, all these hurdles will have to be looked into in toto. Otherwise the whole purpose of this Bank will be defeated.

Sir, apart from this, I have got certain suggestions which I would like to place before the House and which, I hope, the honourable Minister will look into. As pointed out by my hon. friend just now, according to clause 6, there are 13 directors for the apex Bank in the field of housing, architecture, engineering, sociology, finance, law, management and corporate planning etc. Further, the directors are persons with experience in the working of institutions involved in providing funds for housing. There are two directors from out of the directors of the Reserve Bank and three directors from the officials of the Central Government and so on and so forth. Sir the whole body of the National Housing Bank appears to be a very big in size. I have got every doubt whether any decision will be taken in respect of providing loan to the people.

No doubt, you have provided in clause 12, the Executive Committee to be constituted. But the functions of the Executive Committee have not been spelt out. How

[Shri Mostafa Bin Quasem]

they are going to implement and how much time they are going to take to dispose of the loan applications are not clearly mentioned So, this clause is to be looked into by the Ministry.

Clause 14 speaks about formulating one or more schemes for the economically weaker sections of the society which may be subsidised by the Central Government or any State Government or any other source. I do not exactly follow what does they mean by "schemes". This also should be spelt out.

Sir, the clauses which I have referred to, should be looked into.

There are other aspects also about how many applications are going to be disposed of.

I also support that there should be regional offices of this Bank as other banks are having, and these offices of the Bank should scrutinise the applications locally. Then only this can give benefit and can fulfil the desire of the people.

With these words, I support the Bill.

Thanking you.

THE VICE-CHAIRMAN (SHRI H HANUMANTHAPPA): Mr. Matto.

SHRI NIRMAL CHATTERJEE: J&K has got precedence.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Sometimes.

SHRI GHULAM RASOOL MATTO (Jammu and Kashmir): Mr Vice-Chairman, Sir, there will be nobody in this House perhaps who can oppose this legislation because any legislation which is for the welfare of the people has got to be supported by all.

I have been Director of the J&K State Finance Corporation and I have also been Director of the Regional Board of the Industrial Development Bank of India. It is on the basis of that experience that I have to make certain suggestions, certain observations with regard to this Bill.

In the first instance, I agree with Mr Mostafa Bin Quasem who said that a national housing plan should have been formulated. But, so far as the Finance Minister is concerned, his job is restricted in the instant case to this Bill and the *modus operandi* of this Bill So, within the framework of that I have to make certain observations.

I tend to agree with Mr Mostafa Bin Quasem that this Bill tends to be biased towards high cost construction buildings and people having these because very little has been said about housing finance to the weaker sections of the population. So, in order to make it meaningful how do we go about it? I know, Sir, that right now this is a step in the right direction, and his could not wait According to what I have read from this I would like to link this institution primarily with the Industrial Development Bank of India and its activities for re-imbursing with the State Finance Corporations. On the same lines the State Housing Corporations will be refinanced by this Central institution. So, in order to make this body effective the primary object of the Finance Minister should be to form State level housing corporation Only when the State level housing corporations are formed, this body will be able to reimburse them loans. So, my first request to him is that he should bring in a formal legislation on the pattern of the State Finance Corporation Act and form State housing corporations. When State housing corporations are formed under the Central Act, as in the case of the State Finance Corporations, those corporations can take care of the needs of the States In turn this central organisation can make them reimbursements. Of course, when I say that this is the primary object which to my mind, should govern the Government in formulation of this Central organisation, the question is what do we do now It may take a year or two to form this. The hon. Minister can come forward in the Budget session with a comprehensive Bill for the formation of

the State Housing Corporations. But the State Housing Corporations in turn have also got certain obligations under the Central Act to form their State Housing Corporations, just as in the case of the State Financial Corporations. I have seen that in many advanced States like Maharashtra and Bengal, those financial corporations, came into being much earlier while our corporation, for instance the J & K Corporation, came into being only in the 60s. So, till such time this is done, what should we do? Here again, my answer lies with the Finance Ministry. That answer is that in the particular States, the Scheduled banks should form a consortium temporarily. Of course, each scheduled bank has to work within its own parameters and its own autonomous character but if they form a consortium and the directions are given by the hon Finance Minister, who is the Minister for Banking also—that out of the deposit of that particular bank in a State, so much percentage will have to be earmarked for the housing and they in turn can get re-imbursement from the Central Housing Corporation. So, I would request the hon. Minister that in order to make this Bill meaningful and positive and in order to see that it works well, till such time the State Housing Corporations come into being—which is a must and which has got to be done, and without that nothing is possible—he may form a consortium of all the nationalised banks in particular States to act as nucleus around which this reimbursement can be made to them.

THE VICE-CHAIRMAN (SHRI H HANUMANTHAPPA): Please conclude.

SHRI GHULAM RASOOL MATTO: I was told that you will continue after six.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Yes, the House will continue.

SHRI GHULAM RASOOL MATTO: Thank you.

What I was saying was that till such time all these housing corporations are formed, he should give directions that in each State consortium of the nationalised banks are formed so that they get benefit out of this. This is a very important piece of advice that I give and I think the hon. Minister will take this into consideration.

Now, coming to the National Housing Bank Bill itself, first of all I would like the hon. Minister to take out the idea from his mind that Bombay should be the headquarters of this Bank.

Somehow I feel that Bombay won't serve the purpose for a bank like this to meet the requirements from Kanyakumari to Kashmir and from Assam to Somnath. There is a saving clause that the headquarters shall be at Bombay or at such other place as the Reserve Bank may, by notification, specify. So I propose to the hon Minister that its headquarters at Bombay should be reconsidered. This is a new foundation that we are laying. To my mind, I can forsee—I may be alive or may not be—that this housing bank has to finance about Rs. 1000 crores in the foreseeable future, that is, not more than 10 years. As has been pointed out by my friend, Shri Mostafa Bin Quasem this is going to be a gigantic organisation because at the end of the Seventh Plan we have a shortfall of 25 million housing units. The magnitude of the problem can be gauged by the fact that at the end of the Seventh Plan the shortfall will be 25 million, that is, 2.5 crores. At the end of the Eighth Plan this figure will reach 3.5 crores. So in order to meet such a gigantic requirement, it is not difficult for you to foresee that you will have a minimum paid up capital of Rs 1,000 crores by the end of the turn of century. My request to you is, Bombay has no space to give because it is already saturated; take out the idea of locating the housing bank headquarters at Bombay from your mind. Right now the present position demands that Delhi should be its headquarters because every State Government has to come here, every Member of Parliament has to come here and any other suggestions can be given by these people. So, I think Delhi should be its headquarters and I request you to remove the idea of Bombay as its headquarters from your mind.

The second point I would like to make is about formation of Board of Directors

[Shri Ghulam Rasool Matto]

which is given in clause 6. Apart from giving more representations to the States, to my mind, it should not be less than 5 to 6. According to the present Bill it is limited only to 2. There is also a clause for formation of an executive committee. It can be a smaller one but the representation of the States should be at least 5 to 6 minimum. I also request...

SHRI NIRMAL CHATTERJEE: Why not all States?

SHRI GHULAM RASOOL MATTO: It may become a little unwieldy. If the Minister concedes my demand, then, it will be an improvement from 2 to 6. I accept this.

SHRI NIRMAL CHATTERJEE: Shri Rajni Ranjan Sahu has also said that States should be represented. As it is, the body is unwieldy. The Executive Committee has to do the main thing Therefore, at least 5 to 6 members should be included in the Executive Committee. That could include...

SHRI GHULAM RASOOL MATTO: The Minister will consider it. But my submission is that the representation to the States is infinitely small and very meagre and it needs to be increased.

There is another point which I would like to bring to the notice of the Minister. This is again on representation. In the Central Board organisation there are no public representatives. Of course, I would not suggest that Members of the State Legislatures should be given representation but a minimum of 2 Members of Parliament one from the Lower House and one from the Upper House should be represented so that they can echo the feelings of the public and also get the feed back to suggest any other modifications that need to be done in both the Houses. It is very essential that at least two Members of Parliament should also be associated I find in the Bill that there is a sub-clause for expanding the Committee. Right now it is in the embryo stage because the rules are yet to be framed and other things are yet to be framed. I would request the hon. Minister to consider the aspect of giving representation to the States as well as to the Members of Parliament. Of course, the formulation of regional offices has got to come. When investment is there, it is bound to come but that should also be taken into consideration. I agree with Mr. Mostafa Bin Quasem that right now, when you are making the subscription for this thing, it should not be Rs. 100 crores. You must at least make it Rs 500 crores straightway because when you make it Rs. 500 crores, it is bound to increase to Rs. 2,000 or to Rs. 3,000 crores. This is the very need of the hour and this has got to be done. So Rs. 100 crore is a very meagre amount that you want to earmark for this thing and I would request the hon. Minister to increase this amount right now to Rs. 500 crores.

[**The Deputy Chairman** *in the chair.*]

The third point that was raised by Mr. Nirmal Chatterjee is that some way should be found for getting private deposits. I am a shareholder of the J & K State Finance Corporation. Similarly, if it is not possible to have a shareholding, then in the Bill that you have got to bring in as an energetic Finance Minister, in the next Budget Session, for the formation of the State Housing Corporation, you must also include in that, as in the case of the State Finance Corporations, a provision for the deposits of private individuals. (*Interruptions*). The point is that in the case of the State Finance Corporation, the proportion is given Deposit is one thing in the sense of depositing in a bank. The deposits of equity participation is a different thing as in the case of the State Finance Corporation Act which is a model Act and on the basis of which the hon. Minister can do that Deposits in the bank is a different thing but deposits in equity participation is a different thing. This is also a point worth considering by the hon. Minister while formulating the rules and other things about it.

The fourth point and which is very very important to my mind is that in the absence of the State Housing Corporation, in the absence of all these things, there should be directives from you as Finance Minister as to who would be the beneficiaries of this money or reimbursement of this money. You will reimburse it to the State Finance Corporations or to the Consortium of Scheduled Banks which you have suggested only for a specific purpose and no money will be given for those tall structures. This has got to be given to a particular set of buildings. You must give directives right now up to what amount, can you reimburse to the State Housing Corporation or any other institution for the time being and to whom you will reimburse. This should be made clear.

The final thing that I would like to emphasise is that the regional imbalance should not be there. It should be ensured right now that out of that amount, out of that kitty which you have earmarked for this purpose, this should go to all the regions and all the States. Right now, if it is in Bombay, the access to the Bank will be easier for the people from Bombay to go there and if they take up all this, then they must ensure that each State or each region must be earmarked a particular amount—that this amount is meant for this region or for this State or whatever you feel proper. But imbalances should not be there. It should be balanced. With these words, I hope that the hon. Minister will take into consideration the few observations I have made in this regard and I wholeheartedly support the Bill and congratulate the Minister and I will doubly congratulate the hon. Minister if in the Budget Session, he brings forward the State Housing Corporation Bill on the lines of the State Finance Corporation Act. Thank you very much.

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6 00 P.M.

STATEMENT BY MINISTER

Re-Fire accident in the 14 Down Ajmer-Delhi Fast Passenger train on 29-11-1988.

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): Madam, I deeply regret to apprise the House of an unfortunate fire accident to 14 Down Ajmer-Delhi Fast Passenger on the Jaipur Division of Western Railway. At about 16.15 hours on 29th November, 1987, while this train was running between Kishangarh and Mandawariya stations on the Ajmer-Phulera metre gauge section, 7th coach from the train engine, a II Class 3-Tier Sleeper, caught fire. The train had a load of 12 coaches and was hauled by a steam loco. The train was brought to a stop by alarm chain pulling from the affected as well as the adjacent coaches. I regret to report, however, that as a result of the accident, 2 persons sustained grievous injuries, 15 simple injuries and 24 persons lost their lives.

The injured have been admitted to the Civil Hospitals at Kishangarh and Ajmer.

Railway Medical Vans were rushed from Ajmer and Phulera. Railway Doctors rushed to the site by road with ambulances. Fire brigades were rushed from Kishangarh and Ajmer. Though the site of accident falls in the jurisdiction of Jaipur Division, Divisional Railway Manager and other officers from Ajmer also rushed to the site and both the Divisions are co-ordinating relief work. General Manager, Western Railway and other officers have visited the site of accident. Member Traffic and Member Mechanical, Railway Board, also rushed to the site from Delhi.

On receipt of information, I also proceeded to Kisangarh and Ajmer, condoled with some of the bereaved families and visited the injured in the hospitals.

Ex-gratia payment to the injured and to the next of kin of the dead identified so far, has already been made.

Commissioner of Railway Safety will hold a statutory enquiry. *Prima facie*, it would appear that the fire started due to some inflammable article being carried by a passenger in the affected coach.